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Attorneys for AZABU LIQUIDATING TRUST

**UNITED STATES BANKRUPTCY COURT
FOR THE DISTRICT OF HAWAII**

In re

**AZABU BUILDINGS COMPANY
LTD., aka AZABU TATEMONO
K.K.**

**Debtor and
Debtor-in-possession**

AZABU LIQUIDATING TRUST

Plaintiff,

v.

BEECHER, LTD.,

Defendant.

) **Case No. 05-50011
(Chapter 11)**

) **Adv. Pro. No. 07-90043**

**STIPULATION BETWEEN AZABU LIQUIDATING TRUST AND
BEECHER TO DISMISS ADVERSARY PROCEEDING**

**TO THE HONORABLE ROBERT J. FARIS, UNITED STATES
BANKRUPTCY JUDGE**

This Stipulation (the "Stipulation") is made between the Azabu Liquidating Trust, through its duly appointed trustee, Alvarez & Marsal North America, LLC (the "Trust"), on the one hand, and Beecher, Ltd. ("Beecher"), Wac, Inc. ("Wac") and Preh, Inc. ("Preh," and with Beecher and Wac, "Claimants"), on the other hand (each a "Party" and collectively the "Parties"), by and through their respective counsel:

RECITALS

A. On November 10, 2005, an involuntary chapter 11 petition concerning Azabu Buildings Company, Ltd. aka Azabu Tatemono K.K. ("Azabu") was filed in the United States Bankruptcy Court for the District of Hawaii (the "Court"), which commenced Case Number 05-50011 (the "Bankruptcy Case"). On February 1, 2006, the Debtor consented to the entry of an order for relief and such order was entered.

B. Beecher filed two proofs of claim in the Bankruptcy Case, designated as Claim No. 9 and Claim No. 32 on the Court's registry of claims (collectively, "Beecher's Claims").

C. Wac filed a proof of claim in the Bankruptcy Case, designated as Claim No. 31 in the Court's registry of claims (the "Wac Claim").

D. Preh filed a proof of claim in the Bankruptcy Case, designated as Claim No. 30 in the Court's registry of claims (the "Preh Claim").

E. On June 27, 2007, the Court entered the "Order Confirming Debtor's and Official Committee of Unsecured Creditors' Second Amended Joint Chapter 11 Plan of Reorganization for Azabu Buildings Company, Ltd., a.k.a. Azabu Tatemono K.K. and Subsequent Filing Entities as of April 23, 2007" (the "Confirmation Order," which confirmed the "Plan").

F. Pursuant to the Confirmation Order, "all Estate Causes of Action shall be AZABU Trust Assets and the Liquidating Trustee . . . shall have the full power and authority to prosecute, compromise or otherwise resolve any and all such Estate Causes of Action, with all recoveries derived therefrom to be AZABU Trust Assets[.]" Confirmation Order, 49, and "the Liquidating Trustee, as the Estate Representative, shall have authority to investigate, administer, monitor, implement, litigate and settle all Disputed or unresolved Claims" Id. at 50.

G. On July 10, 2007, pursuant to the Confirmation Order and Section 5.7 of the Plan, the Trust was formed. On the date, pursuant to the Confirmation Order and Plan, Azabu commenced transferring the Excluded Assets (as defined in the Plan).

H. Azabu also filed a corporate reorganization case in the Tokyo District Court (the "TDC"). Eiji Katayama was appointed trustee (the "Japanese Trustee") in that case. Beecher, Wac and Preh have also filed claims in the Japanese reorganization case (together with Beecher's Claims, Wac's Claim and Preh's Claims, the "Claims"). There are pending litigation matters in the TDC by and among Beecher, Wac, Preh, Azabu and the Japanese Trustee, including (i) a pending lawsuit filed by Beecher on November 9, 2004; (ii) the judgment against Azabu in favor of Mitsui Manufacturers Bank, that was transferred to Beecher; (iii) the Japanese Trustee's lawsuit against Beecher filed on November 14, 2007, and (iv) a pending assessment motion by each of the Claimants filed on November 14, 2007.

I. The Trust objected to each of the Claims. On June 29, 2007, the Trust's predecessor in interest filed its "Objection To Claims Asserted By Beecher, Ltd. And Counterclaims," which initiated Adversary Proceeding 07-90043 (the "Adversary Proceeding"), objecting and asserting certain counterclaims to the Beecher's Claims. On October 26, 2007, the Trust filed an objection to the Wac Claim (the "Wac Claim Objection"), and on October 29, 2007, the Trust filed an objection to the Preh Claim (the "Preh Claim Objection").

J. Pursuant to the Settlement Agreement and Mutual Release dated August 18, 2008 (the "Settlement"), the Trust agreed to pay \$10 million to Beecher, Wac and Preh, and the Parties release all other claims against each other (including the Claims). The Trust and Beecher agreed to stipulate to the dismissal of the Adversary Proceeding, and the Trust has agreed to withdraw the Wac Claim

Objection, the Preh Claim Objection and the "Motion Pursuant To 11 U.S.C. §§ 105(a) And 506, Federal Rule of Bankruptcy Procedure 3012, And Beecher Plan Settlement Order To Determine Reserve With Respect To Disputed Secured Claim Asserted By Beecher, Ltd.," filed December 7, 2007 (the "Reserve Motion"). Wac, Preh and Beecher each agreed to withdraw their Claims.

In light of the foregoing, the Parties hereby stipulate and agree as follows:

1. All presently scheduled hearing dates and deadlines related to the Adversary Proceeding will be vacated.
2. The Adversary Proceeding is dismissed, and Beecher's Claims are released and withdrawn.
3. Nothing in this Stipulation shall supercede or alter the terms of the Settlement.

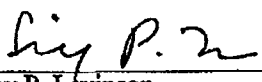
Dated: August 31, 2008

STUTMAN, TREISTER & GLATT
PROFESSIONAL CORPORATION

By: 
Jeffrey C. Krause
Attorneys for Trust

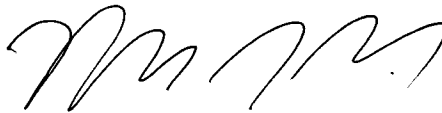
Dated: August 28, 2008

HENNIGAN BENNETT & DORMAN LLP

By: 
Sidney P. Levinson
Attorneys for Beecher, Wac & Preh

ORDER

Based upon the foregoing Stipulation and good cause appearing, it is
SO ORDERED.

 SEP 09 2008

United States Bankruptcy Judge